

NEW HAMPSHIRE'S RAILROADS

Following a national trend, the number of active railroad miles in New Hampshire declined during most of the 20th century. However, since the mid-1970s, the state has carried out a policy of preserving railroad corridors for use in the future. Today's competitive environment is challenging for railroads, which have to maintain their own infrastructure, while trucks use a highway system that is maintained through the fees of a large number of users. Intermodal movement of goods by containers, trailers, and rail transport of bulk commodities like coal, sand, and gravel provide an attractive market for railroads. Northern New England's railroads also serve many of the region's paper mills.

New Hampshire's rail system currently includes Amtrak passenger service on two routes: the Vermonter, which operates daily between Washington, DC and St. Albans, Vermont and serves Claremont Junction; and the Downeaster, which operates between Boston and Portland and offers five daily round trips stopping in Exeter, Durham and Dover. The Vermonter is supported by the State of Vermont and the Downeaster by the State of Maine through its Northern New England Passenger Rail Authority.

The current New Hampshire freight system is comprised of one regional railroad, eight local railroads, and five passenger and tourist operations. The principal privately owned railroads are Pan Am Railways, the St. Lawrence and Atlantic Railroad, the New Hampshire Northcoast, and the New England Central Railroad. Other short line freight and tourist excursion railroads operate under contract on the state-owned lines. The local railroads range in size from small intrastate railroads to carriers that haul in excess of 3 million gross tons on the lines that pass through New Hampshire and the adjoining states and provinces. New Hampshire currently has a total of 450 miles of active railroad line throughout the state. The map on the following page identifies the various railroad owners and types of railroad lines in the State of New Hampshire.

The State is the largest owner of railroad property in New Hampshire, at 201 miles. The State purchased most of these rail corridors to maintain or encourage active rail freight service to shippers as an economic development measure. Many railroad lines have suffered from deferred maintenance, and the state has accompanied its preservation policy with an attempt to secure funding for the rehabilitation of active lines.

Revenues generated by the State through leasing and other fees from property agreements contribute to the State's Special Railroad Fund (RSA 228:68-69), which is dedicated to maintenance, repair, and improvements on state-owned railroad lines. This fund brings in annually approximately \$500,000 per year. The State has also established a revolving loan fund (RSA 228:66-a) for railroad projects on short line and cog railroads, and through capital budget appropriations supports the acquisition of railroad property and improvements to railroad lines to maintain the viability of the State's railroad system. The revolving loan fund has loaned out \$4



million, and will make additional loans as existing loans are repaid. The current Capital budget includes \$1.4 million for maintenance projects and \$500,000 to match federal funds for rail development. Federal funds that can be used for rail related projects are Congestion Mitigation and Air Quality (CMAQ) and Transportation Enhancement (TE) funds. Both programs are funded 80% in Federal funds and 20% in matching funds. There are currently CMAQ funds planned for expanding passenger rail service into New Hampshire along the NH Main Line between Nashua, NH and Lowell, MA owned by Pan Am Railways. The purpose of TE funds is to provide funds for alternative transportation measures, including the purchase of rail corridors for preservation. It is through these two funding sources that the Statewide rail projects listed in the Ten Year Plan are funded.

There are no other funds available on an annual basis for railroad maintenance or operations either from FTA, the Federal Railroad Administration, or highway funds. [Rail projects included in the plan include the Nashua commuter rail extension, with CMAQ funds and FTA capital appropriations previously approved. The 20% matching funds for the Nashua rail project are currently programmed to be provided by local funds and the Capital budget appropriation noted above.]

